MR. CHAIRMAN: The Minister has already replied to that. He has said that the first phase will be Rs. 422 crores and depending on the finances, it will be considered.

SHRI GAYA CHAND BHUYAN: My question is about the size of the plant...

SHRI K. NATWAR SINGH: The first portion of the honourable Member's question was why this was shifted from Paradip to Daitari. I said last week that we got experts to look into this problem and for meteorological reasons it was decided to have it at Daitari which also happens to be only 120 kms. way from Paradip. With regard to the size I have said that we were to go in for an integrated plant with all the elements running into a little over Rs. 1000 crores. We have divided it into three phases. The three phases would cost about Rs. 422 crores.

SHRI NIRMAL CHATTERJEE: They talk of vitamin C even in such an important matter as production of steel. Non-economic considerations weigh heavily in sitting new areas. What I want to know from the Minister is this. There are all kinds of alternatives—renovating an earlier one, expanding an already established one and then establishing a new unit. We know Orissa is very rich in resources. My question is: To what extent in deciding expansion or establishment of new industries the location of such units is determined by economic considerations and to what extent do other non-economic considerations enter into this decision-making?

SHRI K. NATWAR SINGH: The paramount consideration must be economic profitability. I do not know what precisely the honourable Member has in mind when he says there are extraneous considerations...

SHRI NIRMAL CHATTERJEE: Is this Orissa proposal economically more feasible or not? If it is, then why this hesitation in taking a final decision on this Orissa unit? That is what I am asking.

SHRI K. NATWAR SINGH: There is no quesion of its not being economically feasible. It is only the constraint of funds, the availability of funds, which is the problem in front of us.

India's Trade with ESCAP, East and South Asian Countries

*102. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE be pleased to state:

(a) what was the extent of India's trade with the ESCAP countries as compared to the trade with countries in the East and South Asian regions during 1980-81, 1981-82, 1982-83 and 1983-84; and

(b) whether any new export promotion and marketing strategy for Indian goods in the East and South Asian regions is proposed to be undertaken by Government; if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) and (b) A statement is laid on the Table of the House.

Statement

(*a*) Figures of exports to ESCAP countries as well as to the East and South Asian Regions are given below:—

(*Rs. in* crores

Year	India's exports	India's imports
(*A*) *Total for all ESCAP countries including Regional and Non-Regional Members.*		
1980-81 . . .	4379	7422
1981-82 . . .	5058	5655
1982-83 . . .	5095	7741
1983-84 . . .	5681	8931

(*Rs. in crores*)

Year	India's exports	India's imports
(*B*) *East Asian countries who are Members of ESCAP excluding countries in the Pacific Region:*		
1980-81 . .	1110	1789
1981-82 . .	1266	1931
1982-83 . .	1410	2022
1983-84 . .	1471	2574
(*C*) *South Asia* :		
1980-81 . .	379	1488
1981-82 . .	346	1458
1982-83. . .	312	901
1983-84 . .	420	915

(b) A number of measures have been initiated and/or contemplated to promote exports to the South and East Asian regions The more important ones are as follows:—

(1) A new export promotion and marketing strategy for Indian goods has been drawn up. Selected countries have been identified as thrust markets for giving intensified attention. These countries are important from the point of view of the size of the market as well as, in some cases, the growing imbalance in trade.

(2) Similarly, thrust commodities and goods have been identified and special measures are proposed to promote their exports.

(3) In case of some countries, particularly those with whom we have mounting adverse trade balance, the possibility of linking exports with imports, within the framework of the existing policy, is being explored.

(4) Wherever necessary and feasible, lines of credit are proposed to be offered to selected countries to enable them to purchase from India capital machinery, engineering goods and consumer durables.

(5) It is proposed to organise exclusive Indian exhibitions in Indonesia and Thailand this year. We shall also participate in selected exhibitions and trade fairs proposed to be organised in countries in this region.

(6) A Trade Protocol with the People's Republic of China, within the umbrella of Trade Agreement, is proposed to be concluded. Potential areas for economic and trade cooperation with China are being studied.

(7) A special export promotion delegation led by the Minister of State for Commerce and high level representatives from public and private Sectors propose to visit Malaysia to discuss the question of larger participation of Indian companies in projects in Malaysia.

(8) Special measures for product development and promotion of exports, especially of manufactured items with the assistance of Japan, are proposed to be taken.

(9) Tariff and non-tariff Concessions on product exchanged between India and the countries in this region in line with the recommendations of the Ministerial Conference of GSTP just concluded will also be considered.

SHRI KRISHNA KUMAR BIRLA: The answers that have been given to this question are quite exhaustive. I would, however, like to point that within the ESCAP countries a group of countries is coming up very fast as far as economic development is concerned and it is emerging as a very powerful group. These are what are known as ASEAN countries comprising five countries: Indonesia, Thailand, Malaysia, Singapore and Philippines. They are proposing to

find a Common Market approach. This is perfectly in order as far as we are concerned. But my submission would be about India's approach. My submission would be that within the ESCAP countries, those which are economically backward countries should be given preference compared to the developed countries as far as trade is concerned. This also may be in line with the South-South co-operation which we have been emphasising and the Asian countries, in fact, are committed to this. So, Sir, I would like to pose a question: what efforts is the Government making or propose to make to achieve this objective?

SHRI P. A. SANGMA: Sir, I agree with the views expressed by the honourable Member that we should develop our economic co-operation with Asian and South Asian countries. Now, in fact, during the last few years, our trade with these countries has been growing. From 1980-81 to 1983-84, our exports to this region has grown by 24.5 per cent. So, it has been growing in that area.

MR. CHAIRMAN: Please put your second supplementary.

SHRI KRISHNA KUMAR BIRLA: Sir, the honourable Minister has given the figures as far as our exports are concerned. But I would like to point out that in 1980-81, our trade deficit was Rs. 511 crores to the detriment of India and to the disadvantage of India and, in 1983-84, if anything, it has increased from Rs. 511 crores to Rs. 525 crores. My feeling is that the deficit could very much substantially be reduced or may perhaps be eliminated provided two or three steps are taken. One is that our Missions have to maintain better contacts. We have got to follow what Japan is doing and what South Korea is doing. In Japan, they have got the organisation called the JETRO and South Korea has got KOTRA. We will have to keep a watch over the best opportunities that may be presenting themselves in these countries and we have to maintain better contacts with those countries and those Missions also have to maintain better contacts with India and with all the other business organisations like the FICCI.

MR. CHAIRMAN: Two minutes are already over.

SHRI KRISHNA KUMAR BIRLA: Sir, my question is this: What steps is the Government going to take to reduce the trade deficit?

MR. CHAIRMAN: Yes, Mr. Minister.

SHRI P. A. SANGMA: Sir, that is precisely what our effort is. Our efforts are to reduce the trade imbalance and, in fact, as far as business with the ESCAP countries is concerned, in 1980-81 the balance of trade was against us and it was Rs. 3,043 crores and by 1984-85, this has come down to Rs. 1,209 crores. So, there has been a substantial decrease in our trade imbalance with the ESCAP region.

MR. CHAIRMAN: All Right. Next question. Question No. 103. Dr. Bapu Kalddate.

Special Bearer Bonds

*103. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Special Bearer Bonds Scheme introduced in 1981 has resulted in the generation of black money;

(b) whether any raids in this connection were conducted during the months of May-June, 1985; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) No. Sir.

(b) No, Sir.